WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY OF WAR
STRATEGIC SERVICES UNIT

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28 October 1945

MEMORANIUM FOR THE HONORABLE ROBERT A. LOYETT, ASSISTANT SEGRETARY OF WAR FOR AIR

Subject: Report on Intelligence Matters

There is submitted herewith in eight copies report requested in your measurands of 25 October 1948, above subject. The report is divided into two parts and the questions in each part are enswered in the order indicated in your momorandum.

John Magruder Brige Gene Director

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REPORT OF BRIGADIER GENERAL JOHN MAGRUDER, DIRECTOR SSU, VID, TO ASSISTANT SECRETARY LOVETT ON INTELLIGENCE MATTERS.

PART I

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- Present functions of Strategic Services Unit:
 Currently, the Strategic Services Unit is engaged in:
 - (1) operating secret intelligence and counter-espionage branches of its predecessor, the Office of Strategic Services;
 - (2) liquidating the OSS branches for the development and support of resistance groups and guerrilla warfare, maritime sabotage and other clandestine maritime operations, the development and execution of black propaganda campaigns, and field photographic work;
 - (3) reducing the communications and services facilities which have served the above-mentioned activities as well as the Research and Analysis and Visual Presentation Branches which have now been transferred to the State Department.

The organization, which had a peak strength of approximately 13000, exclusive of agents and other foreign nationals in special capacities, has already been reduced to less than 8,000 and the reduction is continuing.

Under its basic JCS directive (JCS 155/11/D) OSS was not permitted to operate in the Western Hemisphere except for Research & Analysis and other limited purposes.

In regard to secret intelligence and counter-espionage, SSU is now focusing on the maintenance and operation of assets developed during the war. For this purpose, the headquarters organization now consists of a unit for the production, processing and dissemination of secret intelligence, a unit for counter-espionage operations, and units which provide communications, training, and various technical sorvices required for these operations. In the field, there are (a) units serving the U. S. Group Control Commission and American Zone Headquarters in Germany and Austria; (b) small groups in London, Paris, and Rome which, in addition to liquidating activities, serve the American occupation authorities in Germany, Austria and Italy, and intelligence customers in Washington. SSU also has representatives in other points in Europe, Africa and the Middle East who for the most part seek to keep alive intelligence contacts developed during the war. In the Far East, OSS headquarters which conducted wartims operations in China and Southeast Asia, are likewise liquidating guerrilla warfare and propaganda units, and scaling down intelligence and counterespionage units to a point adequate to keep alive war-developed sources and to produce currently certain intelligence required by American authorities in those areas.

b. Relations with other intelligence units:

During the period of the war, the secret intelligence

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and counter-espionage branches of OSS served through appropriate intelligence channels, the Joint Chiefs of Staff, the War and Navy Departments, various army and naval commands overseas, the State Department, the Foreign Economic Administration, the Office of War Information, the Federal Bureau of Investigation, the U. S. Treasury and other agencies of the government, with intelligence produced by claudestine methods and with information about the plans and activities of enemy secret services.

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These units, in addition to carrying out American espionage and counter-espionage operations, also functioned as a machinery for "working" foreign intelligence services: i.e., giving them technical support, primarily communications and sirlift, focusing Allied operations on intelligence objectives of American military interest, and seeing that intelligence reports produced by Allied services reached the proper American consumers.

The counter-espionage branch observed, reported upon, and operated against intelligence and subversive organizations and individuals of other nations. It also rendered incidental services to other agencies of the government, such as visa and other security assistance to the American legations and consulates, and the furnishing of general security information to U. S. agencies. In non-military areas, it acted as the central security and counter-espionage service of the United States, working in cooperation with represent-

atives of the State Department, the Army, the Navy, and the FBI.

During the war, the Research and Analysis and Visual Presentation Branches were also included in the intelligence machinery of OSS. The Research and Analysis and Visual Presentation Branches rendered service to the above-named consumers by piecing together intelligence reports from all sources and making over-all strategic surveys, by preparing presentations, and by rendering such special services as the analysis of German and Japanese industry and the flow of production to determine vulnerable points and to establish bombing targets and the preparation of basic studies and handbooks for the use of Military Government.

The foregoing activities assigned to this organization by directive of the Joint Chiefs of Staff, was only one segment of a vast intelligence effort, but it served to round out a complete intelligence service for the United States Government during the war.

c. Appraisal of operations of OSS and SSU:

(1) Introductory comment:

As has been explained, the work of OSS included sabotage, organization of resistance groups, black propaganda against the enemy, and other para-military and subversive operations, as well as various special services for the Joint Chiefs of Staff and the theater commanders. The

appraisal herein set forth, however, is confined to the work of the intelligence branches -- SI (Secret Intelligence), I-2 (counter-espionage), and Research and Analysis.

(2) Achievements:

(a) General Statoment:

During the war just ended, OSS accomplished the following:

- (i) It established, for the first time in American history, an organized network of secret agents, who operated behind enemy lines, and who penetrated enemy installations in neutral countries, in order to obtain vital intelligence.

 These agent networks were established in Europe, North Africa, the Near and Middle East, and the Far East.
- (ii) It established, for the first time in American history, an organized system of counter-espionage which penetrated and neutralized enemy espionage organizations, operating for these purposes in Europe, North Africa, the Near and Middle East, and the Far East.

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(iii) It organized the resources of American scholarship to supplement, and integrate into comprehensive studies, the intelligence procured from the various channels and sources available to the national government.

Specific achievements are set forth in Tab A.

(3) Shortcomings:

The work of OSS during the war was handicapped by defects in organization, personnel and orientation. Fundamentally, all of these defects derived from the same source: the fact that the United States had no centrally controlled and comprehensive espionage system in being when the war broke out, and no experience in the development and direction of any such system. As in so many other aspects of the war establishment, the nation had to improvise. There were few other phases of the war, however, in which the nation so completely lacked a nucleus around which to build and a body of experience upon which to draw as in the field of espionage and counter-espionage. As a result:

(a) The personnel of OSS, recruited and brought together in haste under the stress of the emergency, tended to be uneven in quality. Functions which were well-conceived were performed unequally at different points by different people. Unsatisfactory personnel

were steadily weeded out, and the highest quality personnel steadily moved into positions of primary control and responsibility.

But the effects of haste and improvisation were felt to the end. This could only have been avoided by a careful and orderly preparation for the job during the years of peace.

- (b) The same factors of haste and improvisation produced serious elements of confusion in the organization of OSS.
- upon the know-how and facilities of Allied secret intelligence agencies—notably the British and the French. In this connection, however, it is noteworthy that OSS, to the best of our information, by the end of the war definitely outstripped both British and French secret intelligence in the penetration of Germany, Austria and the Balkans.
- (d) During the early period of fumbling in the development of the proper relationship of OSS to the War Department, the Navy Department and the State Department, certain of the efforts of OSS tended to be misplaced,

in the sense that they were not properly related to the needs and plans of the military and political authorities.

Furthermore, the adjustment of working relations between OSS and the military authorities was impeded by the failure of OSS adequately to indoctrinate its personnel with respect to the relationship of OSS to the Army and Navy.

- d. Appraisal of over-all operations of government intelligence agencies:
 - (1) Introductory Comment:

The OSS and SSU are in no position to offer an appraisal of the performance of other intelligence agencies of the United States during the war. The appraisal herein set forth, therefore, is confined to an appreciation of defects in the inter-relationships among the intelligence agencies of the Government which became manifest in the course of the practical experience of CSS.

- (2) Elements of duplication and lack of coordination:
 - (a) The effectiveness of OSS espicance and counterespicance was seriously handicapped by a failure to receive adequate direction from the military and political authorities as to the

categories of information particularly needed. Where, as in the case of the U. S. 3rd and 7th Armies and the China Theater under General Medemoyer, and in the cases of the American Legations in Switzerland and Sweden, intimate relations were established between OSS and the Army command or diplomatic authorities, and where systematic and intelligent direction of activities existed operations were unusually effective.

- (b) A full and free interchange of intelligence mong the various intelligence-collecting agencies of the Government—e.g., the War Department, the Havy Department, the State Department, FEA and OSS—was never achieved or even closely approximated. Without an effective mechanism for such interchange, gaps in information at key points, and wasteful duplication of effort, were inevitable.
- (c) There was inadequate team-work in intelligence collection on the American side, and no effective mechanism for an all-American flow and coordinated evaluation of intelligence. For example, certain data obtained through War Department G-2 Special Branch activities, which

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were vital to certain OSS espionage and counterespionage work, were never made available to OSS by G-2. This failure in collaboration was ironically underscored by the fact that much information of the same type was made available to OSS by British sources. Similarly, certain prisoner-of-war interrogation data which would have facilitated the espichage and counter-espionage work of OSS was denied to OSS. Again, data collected by OSS (and by French, Polish. Duton and other Allied intelligence agencies who made such data available to both OSS and British agencies) sometimes reached the higher echelons of combined command only through British channels as British reports. In China, the intelligence activities of the U. S. Ground Army, the lith Air Force, the Naval Task Group for China, the U. S. Embassy and OSS were for a long time at cross purposes. In the Pacific, the clandestine services of OSS were not permitted to operate. This impeded the mutual support of American intelligence on the Asiatic mainland and American intelligence in the Pacific, and created a serious void in American knowledge of the Japanese espionage system.

- (d) The desire for and practice of cooperation among various intelligence agencies of the Government on the working levels tended often to be impeded and sorretimes stopped because of misunderstanding or disagreements at top levels.
- (e) Owing to the lack of a central coordinating body, there were gaps and duplications in the disperination of intelligence.
- (f) There was no central mechanism for pooling and comprehensively developing the various bits and pieces of intelligence collected by the various intelligence procurement agencies of the Government.

Additional comment on over-all intelligence organization of tco.U. S. Government:

From the standpoint of OSS in its relationship to the combined commands, it seemed that the United States military services placed inadequate emphasis, as compared with our Allies, upon the role, position and importance of army and naval intelligence and counter-intelligence officers.

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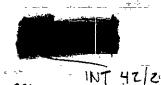
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In collaboration with the State Department, Cas agents entered North Africa and organized esplorage narworks some five months before the invasion in Movember, They also successfully established a system or clandestine communications within North Africa and between North Africa and Washington, by radio and other The intelligence furnished was a vital element in the planning and conduct of the invasion.

2. From basés in North Africa and in Spain, Oss agents entered Southern France and organized espionage Authorits, commencing over eighteen months prior to the invasion of Southern France by the U. S. 7th Army in المهركة المعدد المعالمة A major part -- estimated at 50 percent -of the intelligence directly available to the 7th Army in the planning of its landings derived from OSS sources.

3. Throughout the compaign in Italy, Gas agent number's operated offectively behind enoughlines. organization of these actuores reached a peak of devoto ment in horthorn Italy curing the months of stalement .131, the front north of the arms. The intelligence reculved from those notworks was algaly valued by Allied Lires would withers, the limb army Group and the U.S. jun two British Sth Arales.

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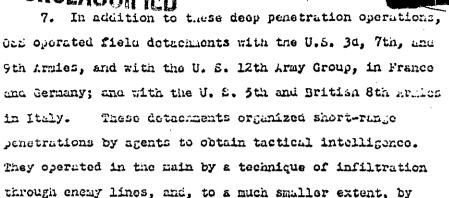
- 4. Commencing in the fall of 1943, Odd officers and agents penetrated Yugoslavia, and established an agent network which furnished a systematic flow of information on enemy troop movements and strategic bombing targets in that area.
- 5. Between April 1944 and September 1944, 053, in collaboration with the British and the French, placed some fifty 2-man agent-radio operator teams behind energy lines in Northern France. Of these, slightly more than half were American (OSS) controlled. In this period, these teams organized espionage networks and sent back over 1,000 radio messages, containing vital information on enemy troop movements, troop identification, supply movements, and the location of ammunition curies. It would be emphasized that this activity was apart from, and in addition to, the intelligence work of another group of teams who were parachuted in to organize, supply and guide the uprisings of the FFI.

Union the conquest of France was completed, over 2,300 Obe agents and sub-agents had been over-run.

6. Between September 1944 and the collabor of Gerachy in May 1945, OSS placed 102 agent terms on deep penetration missions behind enemy lines within Germany. To the best of our information, this far exceeded the number of teams placed in Germany by the British and French combined.



short-range parachute drops.



- S. OSS operated a series of agent networks based on switzerland, into Germany, Italy and occupied France. The work of the Swiss unit of OSS was characterized by the Chief of British secret intelligence as the outstanding secret intelligence job of the war on the Allied side. This unit initiated and developed the chain of delicate negotiations which culminated in the surrender of Northern Italy and Southern Austria. It also developed and exploited a channel of intelligence which proved to be a vital supplement to the material obtained by Special Stance of G-2, War Department, and its British counterpart.
- 9. OSS also operates from a base in Eweden. It was the cole Allied agency which succeeded in penetrating the LMF Holler Scaring Corporation. (We are informed that Eritish and Russian intelligence both made the attempt, unsuccessfully.). It obtained precise and comprehensive

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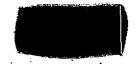


data of ball-bearing shipments by SKP to Germany. These data, when transmitted to the State Department, constituted the basis for the representations thereafter made by the State Department to the Swedish Government concerning such ball-bearing shipments.

The Swedon-based unit of OSS also produced reports on German order of battle and other important matters concerning the German-Russian front in Finland and the Baltic States.

New York Office of OSS in its systematic exploration of intelligence possibilities among refugees from abroad, and by wholly independent efforts of the OSS unit in Switzerland, when fitted together with other bits and pieces obtained by British secret intelligence sources and RAF photo-recommaissance, established the importance of Poenemunde as a target for strategic bombing.

Il. An OSS unit established itself in Bucharost prior to the capture of that city by the Russian armies. It maintained itself there during the period of subsequent occupation by the Russian armies and produced a steady flow of intelligence on developments within Rumania. Prior to the entry into Rumania of the American section of the Allied Control Council and the U. S. Political Advisor, this unit was the sole source of military and

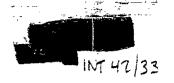


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political information concerning Rumania, and the disposition of forces in Rumania and Hungary. After the establishment of the U. S. section of the Allied Control Council and the office of the U. S. Political Advisor in Bucharest, the OSS unit and its agent network continued to be valuable instrument of intelligence.

- 12. The Research and Analysis Branch of OSS played a vital part in the work of the Enemy Objectives Unit in London, and the target intelligence work of the 15th Air Force at Foggia. In this way, it made an important contribution to the strategic bombing programs of the U. S. 8th and 15th Air Forces.
- 13. OSS agent networks established in the Near and Middle East have regularly returned vital information of a political-military character. For example, OSS agent chains were a primary source of information for American authorities concerning the civil war in Greece and the uprisings in Syria.
- 14. The OSS detachment in Northern Burma was the most important source of intelligence to General Stilwell's armies on enemy activities in Northern Burma.
- 15. During the period of General Wedemeyer's command in China, OSS has been a major source of intelligence to the American command.
 - 16. During the period of enemy occupation of Thailand,





OSS penetrated the area and established an agent network there which reached to the very highest levels of the Thai Government. This network not only furnished important intelligence on Japanese troop movements and strategic bombing targets, but also was the sole American source of vital political intelligence available to the State Department.

B. Counter-Espionage

In the field of counter-espionage, OSS made a number of notable contributions, both singly and in cooperation with Allied services. Through its neutral country stations, it was instrumental in bringing shout the defection of important onemy intelligence service personnel, and exploiting these defections for the demoralization and neutralization of the enemy service. Thus an important series of defections in Turkey was followed by a sweeping reorganization of German esplonage, culminating in the complete incorporation of the military secret intelligence service (Abushr) into that of the Nazi Party (RSHA) with resulting friction and loss of efficiency. Neutral country stations also contributed vital information leading to the identification, apprehension and controlled exploitation of German agents with radio sets left behind in Normandy before the invasion. The field units of OSS counterespionage branch (SCI) set up and operated a considerable

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number of penetration and deception agents. The former were successful in enticing enemy agents into our control, either as parachutists or line crossers, bringing with then considerable sums of money. By satisfying the enemy with a sufficient amount of true or partly true information, they discouraged him from sending in additional agents who might have operated without coming under our control. The role of OSS-controlled enemy agents with radio sets in assisting the implementation of deception programs has been commended by the competent agencies. It has been learned from interrogations of German intelligence personnel that not one of the OSS-controlled agents was ever suspected by the Germans. On the contrary, their information appears to have been believed implicitly, to such an extent that in at least seven cases they were rewarded by the enemy with the Iron Cross!

OSS SCI units operating with T Forces at 6th and 12th Army Groups, seized large quantities of counter-espionage material, which was forwarded through Army Documents channels to the Counter Intelligence War Room, London. The head of the War Room estimated that one such T Force operation, concluded in three days, netted identifying information on more than 20,000 German intelligence personnel. This virtually doubled the information on German intelligence personnel which had been made available through all pre-



vious Allied counter-espionage operations during the war.

The counter-espionage branch of OSS has brought together in Washington comprehensive files on the espionage systems of foreign nations, including some 400,000 carded dessiers on individuals known to be, or suspected of being, connected with such activities.

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Chief, SI

Divisional Deputy, Europe

Intelligence Organization

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There is considerable danger that the future of increase estine intelligence may become so entangled in the constant chinery for operating it that the major issue will be forced in the conflict of opinion. It seems desirable, there-to present the case for the preservation of the clander-intelligence function quite spart from the problem of the chinery, rechnique, or supervision. Only if there is agreement what" and "why" of clandestine intelligence can there exhats and "why" of clandestine intelligence can there are the flow will exorge only from a clear understand.

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From the point of view of an organization established for the purpose of acquiring, evaluating and discount discount in the intelligence, a definition of its field me than that which refers only to its content is a second to the method by which the material is obtained factor which is essential if a differentiation within that broad realm of "classified information" and the generally accepted connotation of a term like the obtained information may be negatived in normal course by the evaluation of the State Department and other generals agencies.

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Clandestine intelligence may properly be defined as a formation regarding foreign actions and nationals affection in Ancorotte which foreign reversions, groups or individuals at the fitteld from our government, and which necessary hast be a realized by an organization operating coversity.

It should be pointed out that this definition these not measuredly refer exclusively to that type of information which can only be secured by clandestine techniques, such as purchase, photography, cryptanalysis, bribery, etc., etc. There are at least three other types of information which are comprehended includedly and necessarily within the scope of clandestine intollingnee. These may be described as follows:

- by completely unofficial though not necessarily clar-
- 3. Secret intelligence in which the U.S. Covernment does not officially care to evince an interest, or whose interest in which it prefers to concell.
- U. Intelligence, secret or open, secured by mount the nature of which must be concealed for remons of security.

The lines of demarcation between types of intelligence represented by these three classifications are not always the line, nor can they always be clearly segregated from subject that the acquisition of which by evert diplomatic means is a scientation. The obvious reason for this is that it is militiappesable in international affairs to be correct that it is not known all there is to be known about a given subject. The informed government will gratefully make use of all possible courses of information, gladly assuming the task of resolving conflicting opinions, eliminating duplications, anti-cipating everlaps. From the point of view of the framers of their about a given subject.

Recognizing the vagueness at the fringes of the three elections of intelligence listed above, it is neverthe-



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less possible to typify them with representative examples which may be illuminating.

L. Acquisition of information regarding the composition and potentialities of opposition groups which a foreign government would prefer to conceal from the U.S. Official American representatives cannot establish close contacts with such groups without the knowledge and probable displeasure of the government to taich they are accredited. The opposition groups themselves, however, would gladly provide such information, Hon-official, trained agents can readily obtain it.

2. The accuring of intelligence about a friendly power through the medium of a third power. The American government may wish officially to turn the cold choulder on such intelligence (a) in order to be able to deny an interest in it or (b) to concel from either of the other two governments the fact of collaboration in the intelligence field.

6. Acquisition of intelligence, oftentimes not specifically of a secret nature but peculiarly volumble because of the position of the source, which is available only from sources who require complete protection of their identity became they will talk at all. Thus, a calinat minister of a foreign power might talk from the continuous personal friend then he would not be seen in company with a known official, or would refuse to talk revealingly in a consulate, legation or embasy.

Deligact Patter of Claniestine Involligance

The sampled cited above are completely general and are it an colely to illustrate the range of clandestine intellation. In order to clarify yet further the fact that a clandestine intelligence organization can devote itself to a valuable field of interest sufficiently specialized to avoid conflict with traditional American reporting services, it will be





country to propert a more detailed analysis of that field. It may be pointed out that, specific as this analysis may supear, to is nevertheless still general in that it applies to any country as any time. The reader familiar with a single definite area can readily expand into indefinite length a list of sucjects classifiable under these headings. Such a list would naturally change as internal conditions changed.

For simplicity, the general list may be divided into entegories according to tradition. These are arbitrary and can readily be altered to suit any functional viewpoint.

A. Political

- 1. Behind-the-seemes vested interests and perconulities affecting official action.
- 2. Important behind-the-scenes political and persoral antipathies among officials.
- 3. Socret letters or documents interpreting offioial policy.
- 4. Unknown or little known facts in the past life of officials which may bear upon present and future activities.
- 5. Power of one official or group of officials over another because of past favors, blood relations, mistrosses, potential black-mail, etc.
- 6. Statements made in private which are at Warished with official pronouncements.
- Percent indirect control of organs of public opinion.
- Use of thindy or unusual means to achieve politiical ends.
- 9. Corruptibility of efficials.
- 101 Sub ross relations with foreign powers.



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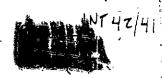
- 11. Contemplated policies of government withheld for reasons of political timing.
- 12. How or potential political alignments and group-ingo.
- 13. Unpublished bases of political coalitions.
- 14. Activities of undersover political minorities (parties or groups) and means available for accomplishing political ends (military, propaganda, money, etc.).
- 15. Misamplication of justice and subtle infringements on civil liberties.

B. Popnomic

- Lobbying or unusual economic pressures on government policy.
- Subtle relations with economic interests of other countries.
- 3. Mothods of hiding important economic data.
- Unimown or little known controls of one industry over another.
- 5. Black market or other illegal dealings.
- 5. Sub rose patent controls and price collusion.
- 7. Secret technical resources and inventions.
- 6. Control of public opinion by 'vested economic interests.
- 9. Subtle penetration of economic life by entails governments or foreign interests, and frietient, between outside governments resulting therefree,

C. Sociological and Paychological

- l. The power of non-government groups ever public opinion, (church, labor unions, etc.).
- 2. Power of non-government groups upon official policy.



- 3. Social unrest caused by oppression of minorities, irridentica, ethnological frictions, etc.
- 4. Covert intellectual leadership behind public movements and public opinion.
- 5. Undercover attempts to influence public opinion in other countries.
- 6. Black propaganda intended to influence attitudes in the United States toward American policies affecting other countries.

D. Military

- 1. Secret development of military potential.
- 2. Undercover relations of military with foreign powers.
- Scoret military inventions and technical developerats.
- 4. Secret development of political armies sixed at the incumbent power.
- 5. Organization and activities of internal police system.
- Secret economic and political agreements with foreign powers aimed at the strengthening of military position.
- 7. Hidden critical weaknesses in military potent_i.
- 8. Political power of top military pursonnal.
- 9. Establishment of secret military or intelligence training centers.
- 10. Development of secret methods of communication.

E. Counter-Intelligence

(Note: The counter-intelligence function here described is intended to apply only to the foreign field and not at all in the United States except for necessary limited with the appropriate government agencies. Furthermore, it is





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equantial that the counter-intelligence function should be maintuined in complete freedom from connection with police or law enforcing agencies or from the assignment to this organization of any powers thereof.)

- Identifics and places of operation of secret agents of foreign powers abroad.
- Fechniques and policies of such foreign agents,
 including use of sources, communications,
 special targets, etc.
- .3. Composition of foreign secret intelligence organizations.
- 4. Protection of American secret intelligence operations through caroful vetting of sources and contacts for possible foreign control.
- 6. Padaport and Vice control activities to protect the interests of the United States from subversive immigrants or Visitors, including foreign agents.

Pasic Requirements of a Competent SI Organization

Accuming that the American Government does, in fact, went information of the types described above, cortain fundamental principles must be recognized as essential to the process of obtaining it and maintaining an organization to handle it.

A. The information must be gathered by undercover agents in foreign countries. This means at a minimum that trained personnel must be settled abroad in private employment which obviously accounts for their being formal they are. Although official, or semi-official covers may be used as a supplement, the solid basis of secret intelligence must be a corps of securely covered professionals.

B. The maintenance of search agents abroad requires an empiricated staff at the home office, and perhaps at contain field bases, which is theroughly competent to mandle the recruiting, training, documenting, financing, equipping, dispatching and directing of the agents, and so mandle the receiving (including communications), editing, evaluation, processing and dissemination of their intelligence product.



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- C. The entire secret intelligence operation, for security reasons which are positively essential, must have virtually complete independence from public government controls as regards identification of administrative and agent personnel, provision of personal documents (passports and visus), unvectored funds, freedom of diplomatic pouch and cable facilities, secret codes and ciphers.
- D. The secret intelligence organization should be granted all necessary facilities by other agencies of the government which it exists to serve. This, of course, can obtain only if the field of operation is clearly defined, with the fact clearly understood by all concerned that secret intelligence operations supplement but do not duplicate the functions of other information gathering agencies.
- II. Continuing responsibility for secret intelligence operations must be vested in professional personnel who are percently secure, completely dependable, free from political pressures, and totally diversed from the active formulation of government policy.
- F. The cost of maintaining a competent secret intelligence organization in peace time should not be undercutimated. Such services are not obtained cheaply and
 require considerable freedom in the use of funds not
 subject to the usual open methods of government accounting.
 A budget estimate should procuppese world-wide coverage
 and must include such items as agent calaries, transjertation costs, field operational funds, communications,
 pluses largics of administrative, operational and
 appointed staff at the home office, together with expensed there for maintaining programs of recruiting,
 truining, etc., etc.

Renorms specific conclusions may be drawn from a study of this presentation. Within the limits of its immediate purpose, but three major points need be emphasized:

1. There is a specific field of secret intelligence epocations, the failure to cover which would be detect intell to the sound formulation of American foreign policy.





2. The conduct of secret intelligence operations is a highly technical procedure which should be entered upon only with a full realization of its complemities, a determination to maintain it only on a long term basis, and a disposition to make available all necessary facilities.

3. The secret intelligence organization should be devoid of responsibility for or direct participation in the formulation of foreign policy and should be equally free from political control or that of any single or exclusive group of policy forming agencies.



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